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PROFESSOR ELY'S SOCIAL CREED.

THE recent trial of Prof. Richard T. Ely, by the Regents of the Wisconsin State University, for alleged sociological heresy has naturally attracted a great deal of attention to his opinions and writings. *The Forum*, October, in response to this demand, presents two articles, one contributed by Professor Ely himself, entitled "Fundamental Beliefs in My Social Philosophy," and the other a criticism of Professor Ely's fundamental beliefs, by Prof. A. T. Hadley, of Yale.

"What is your social creed?" was the question which the Editor of *The Forum* addressed to Professor Ely, and he opens his article by saying that, as a scientific thinker, he has no creeds, but only certain conclusions resulting from study and experience in life. These he is willing to set forth, "provided it is understood that he reserves the right to change his opinions if longer investigation and riper experience reveal mistakes." Strikes being the most prominent topic in the public mind, Professor Ely turns to them first, writing as follows:

"What do I think about strikes? When we review industrial history it is scarcely possible to avoid the conclusion that strikes have been a necessary evil. They are a species of warfare, and must be viewed somewhat in the same light in which we look at war in general. War has been a terrible scourge to the human race, and has brought in its train more misfortunes, both to victors and vanquished, than people generally understand. At the same time it has frequently happened that war has been preferable to other evils, and no historian could be found who would deny that it has produced, along with vast wretchedness and misery, some good results. Not all strikes have been failures, and it has happened before this that the firm resistance of employees to wrong and oppression has been productive of results valuable alike to themselves and their employers. An orderly, well-conducted strike implies labor organizations, and labor organizations in their earlier period find their chief activity in industrial warfare and in the preparations for such warfare. The older trades-union was largely an organization of men bound together to accomplish their purposes by means of actual strikes or threats of strikes. I say 'largely' because other purposes and very important ones have always been connected with labor organizations of any importance.

"But conditions have changed. Formerly the trades and occupations of wage-earners were so distinct and separate that those employed in any one craft need have little reference in their struggles to wage-earners outside of their own ranks. Machinery has changed all that and broken down the barriers between the various occupations of wage-earning men and women. . . . It seems clear, then, that the very foundation on which old-fashioned striking trades-unions rested has given way. The field of their operations seems to be a more restricted one than has been supposed by those who have considered merely older conditions. Labor organizations are a necessity, but they should change their methods to correspond to our present economic life, making more of other features than heretofore and less of strikes.

"When we come to certain primary institutions like railways, telegraphs, gas-works, and the like, upon the continuous operation of which the general welfare is dependent in marked degree, the public interest is paramount, and public authority, if it discharge its functions, will not tolerate strikes. . . . Some way or another, these peculiarly public industries must be kept in continuous operation, and this must be effected while ample protection is afforded to all interests involved. If wrong and injustice are done to employees, effective means must be discovered to remedy them without a disturbance of domestic peace."

These peculiarly public interests, says Professor Ely, are termed "natural monopolies," and while the proper treatment of these has not been scientifically determined, yet some things have been made clear by experience. He continues:

"Experience in the United States has demonstrated that there are two—and only two—ways of dealing with monopolies. We have, in the main, a choice only between private ownership and operation with control by Government, and Government ownership and operation. One or the other our courts and our legisla-

tures have decided we must have; and their decision has been wise, as it has been forced on them by hard facts. Waterworks in our cities very generally illustrate Government ownership and operation, whereas our railways afford illustration of control by Government united with private ownership and operation. Government control simply takes the place of the regulation by competition which obtains in agriculture, manufactures, and commerce. . . .

"The question we have to answer is this: Which is better, Government ownership and operation with the control naturally and spontaneously resulting therefrom, or private ownership and operation with Government control forced on the owners and managers? The question is complex, and the answer is a difficult one in regard to which men may well differ; but it should receive the careful and conscientious attention of all who have any qualifications calculated to help them to throw light on the problems involved, and above all things it should be considered dispassionately. Whichever alternative we choose, we have complicated problems without end to solve; and this simply calls again to mind the fact that modern civilization is at best an arduous process.

"The difficulties in the way of public ownership and management are vast. Such ownership and management imply changes and readjustments in our political conditions. Additional safeguards against undue centralization may possibly be necessary; for local self-government needs to be further developed rather than restricted. No danger must be suffered to threaten the American Commonwealth. The civil service must be developed far beyond what we have as yet seriously considered, for it would be folly indeed to think of the enlargement of the functions of government mentioned with our present civil service. . . .

"Should it be decided that Government ownership, immense as are its difficulties, is on the whole preferable, it will then be necessary to pass on to details: but it does not seem likely that such a decision will be reached except for some local monopolies, and perhaps the telegraph and telephone, in any near future. It may be one generation—it may be two generations—hence, before the public will be fully persuaded; and in such matters prediction is extremely unsafe."

Professor Ely next turns to the problems presented by Socialism and Anarchism. While, he says, the study of Socialism is eminently profitable, and while Socialism has furnished a needed corrective to certain Anarchistic tendencies, it is true that Socialistic agitation has bred class hatred and diverted attention from truer remedies for the social evils. As for the practicability of Socialism, Professor Ely says:

"The difficulties in the way of Socialism seem to me to be insuperable. First of all, there is the difficulty in the way of the organization of agriculture, which has never yet been squarely faced by Socialists. Then, Socialism once organized, there remains difficulty in securing that distribution of annual income which would give general satisfaction, and at the same time promote progress. There is reason to apprehend that under Socialism those pursuits upon which the progress of civilization depends would not be amply supported, and that the result of Socialism would thus be a non-progressive society. If this is true, then the masses would ultimately suffer, even if we admit that their condition at first would be improved. Finally, it is my opinion that the concentration of dissatisfaction under Socialism would be revolutionary in character."

With regard to Anarchy, Professor Ely says that every step in that direction is a calamity and that the propaganda of Anarchy is a terrible evil. But the consideration of Anarchy suggests to Professor Ely several fundamental questions which he does not attempt to answer, such as: What is the source and sanction of the State's authority? Has the State an ethical nature, or is it based on brute force? Professor Ely concludes his article with this general summary:

"As far as my general social philosophy is concerned, I may say then that I am a conservative rather than a radical, and in the strict sense of the term an aristocrat rather than a democrat; but when I use the word 'aristocrat,' I have in mind, of course, not a legal aristocracy, but a natural one; not an aristocracy

born for the enjoyment of special privileges, but an aristocracy which lives for the fulfilment of special service."

Hadley's Criticisms of Ely.—The article by Professor Hadley, although ostensibly a review of Professor Ely's recent book on "Socialism and Social Reform," deals with the general conceptions and spirit of the work rather than with any definite positions taken in it. He finds that Professor Ely has lent the weight of his authority to a set of current beliefs which are thus summarized by Professor Hadley:

"1. Political Economy makes the individual an end, in and for himself; in other words it is a gospel of Mammon and a glorification of selfishness.

"2. Socialism substitutes collective aims for individual ones. It is the result of a moral reaction against the traditional political economy,—a reaction which is taking hold of the masses, and which they are inclined to carry to an extreme.

"3. The only way to prevent matters from being carried to such an extreme is for the wealthy and intelligent classes to adopt a great many Socialistic measures on their own account, before the control of our social machinery is taken out of their hands."

Proceeding to analyze these beliefs, Professor Hadley says:

"The first of these conceptions is an entire mistake. Political Economy does not regard the individual as an end in himself. It does not glorify the pursuit of wealth except so far as this pursuit serves the interests of society as a whole. The great work of Adam Smith was an inquiry into the causes of the wealth of nations; and subsequent economists have followed in his footsteps. They have shown that the collective prosperity of a nation is far better fostered by the individual freedom and enlightened self-interest of its members than by any complicated system of police government. They have shown that, in the industry of modern civilized nations, the man who serves himself intelligently is generally serving others, even when he has no intention or consciousness of so doing. But in all this the individual freedom is treated as a means to social welfare rather than as an end in itself."

On the question of the alleged superiority of the ideals of Socialism to those of individualism, Professor Hadley says:

"This view is hardly justified by the facts of history. In Europe, all through the Middle Ages, charity was regarded as a right and business as a wrong; but those ages were marked by strife rather than by sympathy. The attempt to restrict business transactions and to suppress self-interest as a commercial factor stood in the way of mutual service. The assertion of the duty of charity did not produce a better system of mutual service, as the advocates of Socialism would have us believe. It put intolerable burdens upon some classes—especially the agricultural laborers—in order to support other classes in comparative idleness. Though the ideals of Socialism may be attractive, its methods have been demoralizing; and this is the really important thing to consider in judging the moral character of Socialism as an economic system.

"Let us compare the moral effect of the commercial and the Socialistic theories of value. The commercial theory is that the value or proper price of an article is based on the needs of the market; that is, upon the utility of additional supplies of that article to the consumers. The Socialists object that the results of this theory are unjust, and that some people get a large price for what has cost them very little effort; while others expend a great deal of effort and can command only a small price in return. They would have us adopt a theory of value which should make the price depend on the sacrifice of the producer rather than on the needs of the consumer. At first sight the Socialistic theory seems the more just; and the emotional man is pretty certain to pronounce it morally superior to the commercial theory. But the intellectual man, who traces the consequences of the two views, finds that the commercial theory leads men to produce what others want in as large quantities as possible, and with the minimum expenditure of labor; while the Socialistic theory leads men to spend as many hours as possible over their work and dole out the smallest possible quantities of what other people want. Whatever may be thought of the assumptions of the two systems, the industrial results of the commercial theory are efficiency, progress, and service to others; while those of the Socialistic

theory are inefficiency, antiquated methods of work, and restriction of service to others."

Finally with reference to the third belief—the wisdom of adopting certain Socialistic measures by way of preventing greater and more revolutionary changes—Professor Hadley says:

"Even if we regard the Socialistic views as erroneous and demoralizing, the fact remains that they are held to a greater or less extent by a large number of people—perhaps a majority of the voters in the United States. What is a wise man to do under these circumstances? Shall he make concessions to this sentiment lest a worse thing befall him? Professor Ely most explicitly urges that this should be done. From this view the writer is compelled to dissent emphatically, alike on grounds of morality and of policy. He believes that the courageous answer to this question is the prudent one, and that that answer is, *No*. . . . You cannot compromise with an emotion as you can with a differing opinion,—witness the difficulties of arbitration in labor disputes. An emotion is stimulated rather than satisfied by concessions. Such concessions are taken as evidence, not of a spirit of accommodation, but of weakness,—and, on the whole, rightly so. If the conservatives yield to a popular clamor which overawes but does not convince them, the people are justified in assuming that their previous toleration of evils was due to indifference and not to an honest conviction that it was impossible to stop them by state action. In sacrificing their own better judgment, the conservatives give up their strongest weapon of defense, and gain absolutely nothing."

SNAP SHOTS.

"How very odd in politics
New York policemen are,
That they should let their principles
Against each other jar.

Each officer's in favor of
'Protection' through and through,
And still the tariff that they lay
Is just for revenue."

—*The Free Press, Detroit.*

"THE physician-in-ordinary to the sick Democratic Party of New York makes the melancholy report that the President is not suffering from cacaoethes scribendi this fall."—*The Commercial Gazette, Cincinnati.*

"DURING the registration in Chicago, a woman was asked to state her age. 'Nineteen,' was the answer. 'You can't vote, if that is your age,' said the official. 'Oh, I am twenty-one, then,' she replied."—*The Globe, Atchison.*

"WHEN President Cleveland is asked why he doesn't sound that bugle-call that the Hill men are so anxious to hear, he might retort that he had not forgotten what happened to a celebrated Hornblower of New York."—*The Transcript, Boston.*

"HELLO, Thompson; how does it happen you didn't register?"
"Well, you see, I paired with my wife."—*The Record, Chicago.*

"SECRETARY Carlisle's valiant charge upon the domestic economies of the Morton household shows that he is determined upon Democratic success, no matter how great an effort of his it may require."—*The Enquirer, Cincinnati.*



—*The Press, Philadelphia.*